



## INFORMATION SHEET FOR TITLE INSURERS

### Title Insurance Commitment Binders

#### Schedule A

- (1) If a fee interest is involved, client needs a commitment to insure the party who will hold the fee interest.
- (2) Commitments must provide coverage for the State in the amount that the Clean Water Management Trust Fund is contributing to the purchase of the property or the conservation interest or both.
- (3) If a conservation easement interest is involved, client needs a commitment to insure the party who will hold the conservation easement interest, and that properly identifies the State if the State is to hold (directly or by assignment) the conservation easement interest.
- (4) A single commitment can cover both a fee interest holder and a conservation easement interest holder if the parties and interests are properly identified.
- (5) Commitments should never identify the State's interest as a loan, mortgage, or security interest. The Clean Water Management Trust Fund does not loan funds.
- (6) Commitments must contain a sufficient legal description of the property and the conservation easement, as applicable, being insured.

#### Schedule B

- (7) Commitments must not contain exceptions as to matters of survey. A survey is always required, so this exception is not appropriate. Commitments may have a survey exception if the commitment says that the exception will be deleted from the final policy upon a survey being provided.
- (8) Commitments must provide affirmative coverage for access to a public road. This can be listed in requirements, exceptions, or added at the end of the document as an endorsement. Please let us know where it can be found.
- (9) Unless closing occurs prior to funding by the State and funds are not going to be paid into the closing attorney's trust account, commitments must provide for a closing protection letter for the State.

- (10) Commitments for conservation easements must not except the conservation easement that is being insured.
- (11) Commitments for conservation easements must not contain exceptions that undermine coverage of the conservation easement itself, such as exceptions that except, "Terms and conditions of that certain Conservation Easement between ABC Conservancy and the State of North Carolina recorded in Book \_\_\_\_, Page \_\_\_\_, ABC County."
- (12) Commitments must not include unrestricted or ambiguous exceptions to coverage. (E.g. "all easements and rights of way".) All exceptions must be specific and refer to a Deed Book and Page.